

RESOLUTION NO. 13-10-06
RESOLUTION OF THE BOARD OF EDUCATION OF THE
NEWPORT-MESA UNIFIED SCHOOL DISTRICT
ESTABLISHING A MEASURE F CITIZENS' OVERSIGHT COMMITTEE
AND AUTHORIZING NECESSARY ACTIONS IN CONNECTION
THEREWITH

WHEREAS, an election was duly called in the Newport-Mesa Unified School District (the "District"), County of Orange, California on August 10, 2005, with a vote to be held on November 8, 2005, at which the following proposition will be submitted to the electors of the District ("Measure F"):

"To increase access to educational opportunities for all students, provide facilities to meet current state educational requirements and improve student safety by completing specific projects throughout the school district, shall Newport-Mesa Unified School District issue \$282 million in bonds, at legal interest rates, with new bonds being issued only if projected annual tax rates do not exceed those being paid today by local taxpayers, guaranteed independent annual audits, a Citizens' Oversight Committee and no funds for administrator salaries?"

WHEREAS, in the event that a minimum of fifty-five percent of the electors grant approval of Measure F the District will be authorized to secure bonded indebtedness (the "Bonds") in the amount of \$282 Million; and

WHEREAS, pursuant to Section 18 of Article XVI and Section 1 of Article XIII A of the California Constitution, and Section 15266 of the Education Code, school districts seeking approval of general obligation bonds and the levy of an *ad valorem* tax to repay those bonds upon a 55% vote of those voting on a proposition for the purpose, are required to provide certain accountability measures in the proposition; and

WHEREAS, in 2000 prior to the requirement in law for such accountability measures the Newport-Mesa Unified School District secured voter approval for a previous school modernization and construction program funded by general obligation bonds known as the Measure A Program ("Measure A"); and

WHEREAS, the accountability measures voluntarily provided for Measure A have demonstrated themselves to be both successful and effective in providing oversight and assuring the community that bond monies were being expended appropriately; and

WHEREAS, consistent with the Measure A, the Board has determined that it is necessary, advisable, and desirable to establish a citizens' oversight committee for Measure F to increase accountability, communication, oversight and representation on the execution of the expenditures related to the projects of the Measure F Program; and

WHEREAS, the Board has received input and advice from the community, including a Facilities Advisory Committee convened by the Superintendent and a year-long Strategic Plan process both of which have recommended that the Measure A Citizens Oversight Committee be

used as a model for the new Measure F Program to ensure that the proceeds of the Bonds are spent only for the specific purposes and projects identified in the Proposition placed before the voters on November 8, 2005;

NOW, THEREFORE, the Board of Education of the Newport-Mesa Unified School District does hereby resolve, determine, and order as follows:

Section 1. Recitals. All of the above recitals are true and correct.

Section 2. Establishment and Title of the Committee. There shall be established a committee to be known as the Measure F Citizens Oversight Committee (the "Oversight Committee").

Section 3. Term of the Oversight Committee. The Oversight Committee shall be authorized to meet to fulfill its function until the last expenditures made from the proceeds of all Series of the bonds authorized by Measure F have been expended.

Section 4. Purpose of the Oversight Committee.

(i) The Committee shall ensure that expenditures of the Bonds are consistent with the stated purposes of the Measure F contained in Resolution 03-08-06 enacted by the Board of Education on August 10, 2005 and voted upon by the voters of the Newport-Mesa Unified School District on November 8, 2005.

(ii) The Oversight Committee shall advise the public as to whether the school district is in compliance with the requirements of paragraph (3) of subdivision (b) of Section 1 of Article XIII A of the California Constitution.

(iii) The Oversight Committee shall review the annual, independent financial audit of the expenditure of Bond funds.

(iv) The Oversight Committee shall review the annual, independent performance audit of the expenditure of Bond funds.

(v) The Oversight Committee shall review the planning, scheduling and budgeting of projects funded by the Bond proceeds.

(vi) The Oversight Committee shall represent the interests of the District community through participation and advice.

(vii) The Oversight Committee shall prepare and submit regular reports to the Board of Education as to all of its findings. The report shall be issued at least once a year.

Section 5. Criteria for Membership on the Oversight Committee.

- (i) In accordance with Section 15282 of the California Education Code, the Board of Education shall ensure that the Oversight Committee consists of at least seven members with required representation as follows:
 - a. One member active in a business organization.
 - b. One member active in a senior citizens organization.
 - c. One member active in a bona fide taxpayer's organization.
 - d. One member who is a parent or guardian of a student enrolled in the school district.
 - e. One member who is both a parent or guardian of a student enrolled in the school district and active in a parent-teacher organization or School Site Council.
 - f. No member meeting the requirement of Section 15282 may be an employee or official of the school district.
 - g. No member meeting the requirement of Section 15282 may be a vendor, contractor or consultant to the school district.
- (ii) Membership on the Oversight Committee shall be by appointment from the organizations or entities designated in Section 6 following. The organizations designated may be expanded in number upon recommendation of the Oversight Committee and approval by the Board of Education however, in no case shall the Oversight Committee have more than thirty-one members.
- (iii) All appointees must reside within the boundaries of the District.
- (iv) Chamber of Commerce representatives shall live within the boundaries of the city of the Chamber of Commerce the appointee is representing.
- (v) At-large representatives shall be appointed by the Board of Education.
- (vi) High school zone representatives shall be appointed by the "zone articulation committee" within each of the District's four high school zones. The "zone articulation committee" is defined as the leadership group of parents and principals representing each school within a high school zone.
- (vii) Representatives of the senior community shall be appointed by the Board of Education.

- (viii) Current District employees are eligible to serve only as representatives from their respective professional organizations.
- (ix) Current or former members of the Board of Education are not eligible to serve on the Oversight Committee.

Section 6 Organizations Eligible to Appoint Representatives to the Oversight Committee. The following organizations shall be eligible to appoint members to the Oversight Committee consistent with the criteria in Section 5 above.

- (i) Two representatives from each of four high school zones
- (ii) One representative from the Orange County Treasurer's Office
- (iii) One representative from the Orange County Taxpayers' Association
- (iv) One representative from the local Board of Realtors
- (v) One representative from the local chapter of the Building Industry Association
- (vi) Two representatives from the Harbor Council Parent Teachers Association (PTA)
- (vii) One representative from the Newport-Mesa Administrators' Association
- (viii) One representative from the Newport-Mesa Federation of Teachers
- (ix) One representative from the California School Employees Association
- (x) One representative from the District Audit Committee
- (xi) Two representatives from the Newport Harbor Chamber of Commerce
- (xii) Two representatives from the Corona del Mar Chamber of Commerce
- (xiii) Two representatives from the Costa Mesa Chamber of Commerce
- (xiv) One representative from the Latino Business Council
- (xv) Two representatives drawn from community Senior Citizens as appointed by the Board of Education
- (xvi) Four representatives At-Large as appointed by the Board of Education
- (xvii) The Superintendent or his designee shall annually notify the above organizations that they are eligible to appoint a representative to the Citizens Oversight Committee and invite them to do so.
- (xviii) If any of the organizations eligible to designate representatives to the Oversight Committee cease to exist or file with the Committee a written statement that they choose not to designate a representative to the Committee, the Committee shall select an organization of similar purpose or background to replace the organization not represented and propose such to the Board of Education.
- (xix) In the event that appointment by the designated organizations fails to meet the all of the criteria established by Section 5 (i) above for legally required members the Board of Education shall appoint sufficient members to fulfill its legal obligation under Section 15282 of the California Education Code.

Section 7. Voting. Each member of the Oversight Committee shall have one vote. The Oversight Committee shall strive for consensus, however, an issue shall be determined to be decided by the Oversight Committee if fifty percent (50%) plus one vote is in agreement.

Section 8. Quorum.

- (i) A quorum shall be established if two-thirds of the then appointed membership are present.
- (ii) In no event shall fewer than seven members constitute a quorum.
- (iii) In no event shall a quorum be established if attendance includes fewer than four of the of legally required members established by Section 15282 of the California Education Code as referenced in Section 5 (i) above.
- (iv) In lieu of a quorum no business may be conducted in the name of the Oversight Committee.

Section 9. Term of Membership. Membership shall be for two year terms. At the first meeting of the Oversight Committee members shall draw lots with half of the members being designated for initial two year terms and half being designated for initial three year terms. Thereafter, all terms shall be two years. A year shall be defined as the District's fiscal year, from July 1 through June 30. Members may not serve more than two consecutive terms.

Section 10. In the Event of a Vacancy on the Oversight Committee.

- (i) In the event that a member resigns or no longer meets the eligibility criteria of Section 5 above, a replacement shall be selected in accordance with the provisions of Section 5.
- (ii) Members who have been absent for two consecutive meetings occurring at least two weeks apart during their term shall be deemed to have resigned from the Oversight Committee and a replacement shall be selected in accordance with the provisions of Section 5.
- (iii) In the event that an eligible organization does not appoint a representative or that he/she does not attend a given meeting of the Oversight Committee the Superintendent or his designee shall provide a copy of the minutes of the respective meeting to the organization by mail or electronic transmission.

Section 11. Conflict of Interest for Members.

- (i) While serving on the Oversight Committee, and for a period of three years following Oversight Committee membership, members of the Oversight Committee as individuals and any company or business in which the member has a significant interest shall be prohibited from conducting business with the

District with respect to projects funded by the bonds of the Measure F program.

(ii) All members shall submit an annual statement of economic interests pursuant to the District current conflict of interest code and California Government Code Section 81008 et. seq. Failure to do so will constitute ineligibility for continued membership.

Section 12. Number of Meetings.

(i) In accordance with Section 4 above, the Oversight Committee shall meet at least quarterly to provide an Annual Report to the Board of Education.

(ii) The Annual Report shall be delivered to the Board of Education no later than May 15 of any year.

(iii) The Oversight Committee may determine to meet more often than quarterly if it determines that additional time is required to fulfill its obligations.

(iv) The Superintendent may, in consultation with the Chairperson or Co-Chairperson, call a meeting to present to the Oversight Committee an issue or question.

Section 13. Operation of the Oversight Committee.

(i) The Oversight Committee shall conduct its business in compliance with the Ralph M. Brown Open Meetings Act.

(ii) The Oversight Committee shall keep regular minutes of the business conducted at all meetings and file a copy of such with the Superintendent or his designee in a timely fashion.

(iii) The Oversight Committee shall elect a Chairperson and a Co-chairperson who shall each serve a two-year term.

(iv) The Chairperson shall conduct the meetings.

(v) In the absence of the Chairperson or at the designation of the Chairperson the Co-Chairperson shall conduct the meetings.

(vi) With the approval of the Oversight Committee, the Chairperson may establish sub-committees purely for the purpose examining an issue and providing information back to the Committee.

(v) No sub-committee may be larger than half of the appointed members of the Oversight Committee.

Section 14. Amendments. To the extent permitted by law, any amendment to this Resolution by the Board of Education shall occur only after the Oversight Committee has been consulted regarding the proposed amendment and a written response has been provided to the Board.

APPROVED, PASSED AND ADOPTED on October 11, 2005, by the following vote:

AYES: 7

NOES: 0

ABSTAIN: 0

ABSENT: 0



President of the Board of Education
Newport-Mesa Unified School District

ATTEST:



Secretary of the Board of Education
Newport-Mesa Unified School District

CLERK'S CERTIFICATE

I, Linda Sneen, Clerk of the Board of Education of the Newport-Mesa Unified School District, of the County of Orange, California, hereby certify as follows:

The attached is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Education of the District duly held at the regular meeting place thereof on October 11, 2005, and entered in the minutes thereof, of which meeting all of the members of the Board of Education had due notice and at which a quorum thereof was present. The resolution was adopted by the following vote:

AYES: 7

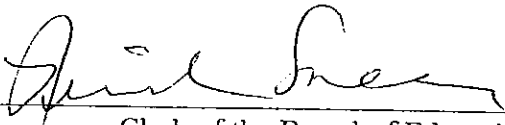
NOES: 0

ABSTAIN: 0

ABSENT: 0

An agenda of the meeting was posted at least 72 hours beforehand at 2985-A Bear Street, Costa Mesa, California, a location freely accessible to members of the public, and a brief description of the adopted resolution appeared on the agenda. A copy of the agenda is attached hereto. The resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

WITNESS my hand this 11th day of October, 2005.



Clerk of the Board of Education
Newport-Mesa Unified School District